

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:) Chapter 11
)
W. R. GRACE & CO., et al.,) Case No. 01-01139 (JKF)
) Jointly Administered
Debtors.)
) Objections due: December 7, 2004
) Hearing date: December 20, 2004

SECOND QUARTERLY FEE APPLICATION OF GOODWIN PROCTER LLP,
COUNSEL TO STATE STREET BANK AND TRUST COMPANY AS INVESTMENT
MANAGER AND FIDUCIARY OF THE GRACE STOCK WITHIN
THE GRACE SAVINGS & INVESTMENT PLAN, FOR THE THIRTEENTH
QUARTERLY INTERIM PERIOD FROM
APRIL 1, 2004 THROUGH JUNE 30, 2004

Name of Applicant:	GOODWIN PROCTER LLP
Authorized to Provide Professional Services to:	State Street Bank and Trust Company ("State Street"), Investment Manager and Fiduciary of the Grace Stock within the Grace Savings & Investment Plan
Date of Retention:	State Street was engaged by order of the Court dated December 12, 2003.
Period for which compensation is sought:	April 1, 2004 through June 30, 2004
Amount of fees and expenses sought as actual, reasonable and necessary:	\$39,486.15
This is a(n): application	<input checked="" type="checkbox"/> quarterly <input checked="" type="checkbox"/> interim <input type="checkbox"/> final

Prior Applications filed:

	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
First Interim	5/1/03- 12/31/04	\$125,000	\$10,546.65	\$125,000	\$10,546.65
Second Monthly	1/1/04- 1/31/04	\$25,000.00	\$1,849.48	\$25,000	\$1,849.48
Third Monthly	2/1/04- 2/29/04	\$20,662.50	\$1,081.70	\$20,662.50	\$1,081.70
Fourth Monthly	3/1/04- 3/31/04	\$12,843.00	\$432.43	\$12,843.00	\$432.43
First Quarterly	1/1/04- 3/31/04	\$58,505.50	\$3,363.61	\$58,505.50	\$3,363.61
Fifth Monthly	4/1/04- 4/30/04	\$25,000	\$521.28	\$25,000	\$521.28
Sixth Monthly	5/1/04 – 6/30/04	\$13,754	\$210.87	\$13,754	\$210.87
Seventh Monthly	7/1/04- 7/31/04	\$2,517.00	\$65.95	\$2,517.00	\$65.95

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
)	
W. R. GRACE & CO., <u>et al.</u> ,)	Case No. 01-01139 (JKF)
)	Jointly Administered
Debtors.)	
)	Objections due: December 7, 2004
)	Hearing date: December 20, 2004

SECOND QUARTERLY FEE APPLICATION OF GOODWIN PROCTER LLP,
COUNSEL TO STATE STREET BANK AND TRUST COMPANY AS INVESTMENT
MANAGER AND FIDUCIARY OF THE GRACE STOCK WITHIN
THE GRACE SAVINGS & INVESTMENT PLAN FOR THE THIRTEENTH
QUARTERLY INTERIM PERIOD FROM
APRIL 1, 2004 THROUGH JUNE 30, 2004

Pursuant to §§ 330 and 331 of Title 11 of the United State Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Court’s Amended Administrative Order Under 11 U.S.C. §§105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members entered by this Court on April 17, 2002 (Docket No. 1949) (the “Administrative Order”), Goodwin Procter LLP (“Goodwin Procter”), counsel to State Street Bank and Trust Company (“State Street”), hereby submits this Second Quarterly Fee Application of Goodwin Procter LLP, Counsel to State Street Bank and Trust Company as Investment Manager and Fiduciary of the Grace Stock Within the Grace Savings & Investment Plan for the Thirteenth Quarterly Interim Period from April 1, 2004 Through June 30, 2004 (the “Second Quarterly Fee Application”). By this Second Quarterly Fee Application, Goodwin Procter seeks interim allowance of compensation in the amount of \$38,754.00 and reimbursement of actual and necessary expenses in the amount of \$732.15 for a total of \$39,486.15, or 100% of all compensation

and reimbursement requested, for the period April 1, 2004 through June 30, 2004 (the "Interim Period"). In support of this Second Quarterly Fee Application, Goodwin Procter respectfully states as follows:

Background

1. On April 2, 2001, each of the Debtors (collectively, the "Debtors") filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Pursuant to §§ 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to operate their businesses and manage their properties and assets as debtors-in-possession.

2. On August 18, 2003, the Debtors filed their application seeking entry of an order under §§ 105 and 363(b) of the Bankruptcy Code authorizing the Debtors and the Investment and Benefits Committee of W.R. Grace to retain State Street for a period of up to one year, approving the terms of engagement agreement between W.R. Grace and State Street (the "Retention Order").

3. The Court entered the Retention Order on December 12, 2003. The Retention Order provides, among other things, the professionals utilized by State Street in its engagement shall apply to the Court for payment of their fees and reimbursement of their expenses. It is pursuant to the Retention Order and in accordance with the Administrative Order that Goodwin Procter files this Second Quarterly Fee Application.

Monthly Fee Applications Covered Herein

4. Prior to the filing of this Second Quarterly Fee Application, Goodwin Procter filed monthly fee applications for the months of April, May, and June, 2004.

5. On or about July 29, 2004, Goodwin Procter filed its Fifth Fee Application of Goodwin Procter LLP, Counsel to State Street Bank and Trust Company as Investment

Manager and Fiduciary of the Grace Stock Within the Grace Savings & Investment Plan for April 2004 (the "Fifth Monthly Application," Docket No. 6065), requesting \$25,000 in fees and \$521.28 in expenses. No objections were received with respect to the Fifth Monthly Application, and a certificate of no objection was filed on August 19, 2004 (Docket No. 6218). Goodwin Procter received payment of \$20,521.28 on the Fifth Monthly Application pursuant to the Administrative Order.

6. On or about September 24, 2004, Goodwin Procter filed its Sixth Fee Application of Goodwin Procter LLP, Counsel to State Street Bank and Trust Company as Investment Manager and Fiduciary of the Grace Stock Within the Grace Savings & Investment Plan for May and June 2004 (the "Sixth Monthly Application," Docket No. 6457), requesting \$13,754.00 in fees and \$210.87 in expenses. No objections were received with respect to the Sixth Monthly Application, and a certificate of no objection was filed on October 19, 2004 (Docket No. 6664). Goodwin Procter has not received payment on the Sixth Monthly Application pursuant to the Administrative Order.

Relief Requested

7. By this Second Quarterly Fee Application, Goodwin Procter requests that the Court approve the interim allowance of compensation for professional services rendered and the reimbursement of actual and necessary expenses incurred by Goodwin Procter from April 1, 2004 through June 30, 2004. As stated above, the full scope of the services provided and the related expenses incurred are fully described in the monthly fee applications for the Interim Period that have already been filed with the Court.

8. All of the services for which compensation is sought were rendered by Goodwin Procter to State Street solely in connection with this case and in furtherance of

the duties and responsibilities of State Street and not on behalf of any creditor or other person.

9. No agreement exists between Goodwin Procter and any other person or entity (other than a member of Goodwin Procter) to share any compensation in connection with Goodwin Procter's services on behalf of State Street.

10. The compensation sought herein is based on Goodwin Procter's customary rates, which are in line with the customary rates charged by comparably skilled practitioners in similar cases.

WHEREFORE, Goodwin Procter respectfully requests that the Court enter an order, substantially in the form attached hereto, providing that, for the period April 1, 2004 through June 30, 2004, an allowance be made to Goodwin Procter in the sum of \$38,754.00 as compensation for reasonable and necessary professional services rendered to State Street and in the sum of \$732.15 for reimbursement of actual and necessary costs and expenses incurred, for a total of \$39,486.15, that the Debtors be authorized and directed to pay to Goodwin Procter the outstanding amount of such sums; and for such other and further relief as this Court deems proper.

Dated: November 16, 2004

Respectfully submitted,

Daniel M. Glosband
Daniel M. Glosband, P.C.
Goodwin Procter LLP
Exchange Place
Boston, Massachusetts 02109